

**AGENDA ITEM 11:     Prop. 1 Delta Levees Funding**

Prepared by: Erik Vink

Presented by: Erik Vink

**Requested Action: Consider letter to Governor and legislators on Prop. 1 Delta Levees funding**

\*\*\*\*\*

**Background:** Prop. 1 included \$295 million for Delta levees. As specified in Water Code sections 79780-79781, this \$295 million is to reduce the risk of levee failure and flood in the Delta. In Water Code section 79781, the \$295 million is specifically directed toward the DWR Delta levee programs (Subventions and Special Projects), levee improvement projects that increase the resiliency of levees within the Delta to withstand earthquake, flooding, or sea level rise, and emergency response and repair projects (see the text of Water Code Sections 79780-79781 below).

**Proposal:** In response to the current flood season and flood-related emergency declarations, the Department of Water Resources has requested the Legislature to appropriate the entire \$295 million specified for Delta levees in both the current (FY 16-17) and upcoming (FY 17-18) fiscal years. The DWR request to the Legislature indicates an allocation of that funding to 5 purposes: urban flood risk reduction (\$65 million), Delta Levees Subventions (\$27 million), Delta Special Projects (\$57.1 million), “systemwide” flood risk reduction (\$130 million) and emergency response (\$10 million). The remaining amount would be for state bond administration costs.

The Commission’s Economic Sustainability Plan has identified the DWR Delta levee programs (Levees Subventions and Special Projects) as critical to helping the entire Delta levee system improve to a base-level of protection. The need for additional Delta levee improvements to reach a base-level of protection (such as the presently-favored DWR Bulletin 192-82) would require the down payment of the entire \$295 million in Prop. 1 and additional amounts, according to recent estimates by Delta levee engineers.

**Requested Action:** Commission staff are working to draft a proposed letter to the Governor and legislators regarding the appropriation of the Prop. 1 Delta levees funding. This draft letter will be presented to the Commission at the March 16 meeting.

**Water Code Section 79780:** The sum of three hundred ninety-five million dollars (\$395,000,000) shall be available, upon appropriation by the Legislature from the fund, to the Department of Water Resources and the Central Valley Flood Protection Board for the purpose of statewide flood management projects and activities. Funds shall be allocated to multibenefit projects that achieve public safety and include fish and wildlife habitat enhancement. The Department of Water Resources shall make its best effort to coordinate this funding with proceeds from Propositions 84 and 1E.

**Water Code Section 79781:** Of the funds authorized by Section 79780, two hundred ninety-five million dollars (\$295,000,000) shall be available to reduce the risk of levee failure and flood in the Delta for any of the following:

- (a) Local assistance under the Delta levee maintenance subventions program pursuant to Part 9 (commencing with Section 12980) of Division 6, as that part may be amended.
- (b) Special flood protection projects pursuant to Chapter 2 (commencing with Section 12310) of Part 4.8 of Division 6, as that chapter may be amended.
- (c) Levee improvement projects that increase the resiliency of levees within the Delta to withstand earthquake, flooding, or sea level rise.
- (d) Emergency response and repair projects.

*(Added by Stats. 2014, Ch. 188, Sec. 8. Approved November 4, 2014, by adoption of Proposition 1.)*